SOUTHERN ILLINOIS business bulletin

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SOUTHERN ILLINOIS Towns in National Industrial Show (Page 2)

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TOWNS DISPLAY ADVANTAGES TO INDUSTRIES SEEKING PLANT SITES

The first National Industrial Development Exposition in New York proved to be successful in bringing communities into direct contact with companies looking for new plant locations, according to Southern Illinois University personnel who staffed an exhibit at the show May 20–24.

Some 10,000 executives of large and small firms accepted invitations to the NIDE in the New York Coliseum where exhibits featured the particular advantages of twenty-seven U.S. and foreign states and communities as industrial locations.

A forty-foot display represented towns and counties which have been pursuing community development programs with the help of Southern Illinois University. They are Cairo, Carlyle, Cobden, Coulterville, Eldorado, Mounds, Flora, Hardin County, and Pope County.

Robert S. Henderson, industrial consultant to the SIU department of community development, said a "surprising number" of industrialists expressed interest in the Southern Illinois area. They were especially impressed by the efforts of community development towns to make themselves more attractive to industry.

"The New York show presented a unique opportunity for communities seeking new industry to meet under one roof with industrial leaders contemplating a move," said Henderson.

Chemical firms, metal processing industries, electronics companies, and food processors appeared to be in the majority among NIDE guests, according to Henderson.

"A number of these people were looking for river or inland water sites and resources that Southern Illinois can supply," he said. "From our point of view, therefore, the Exposition was definitely worth while."

The exhibit financed by Southern Illinois communities was built around a center section with a large map of the area superimposed on a U.S. map. Panels on either side included photos of action projects in community development towns and pictures of available industrial sites. There was also a panel featuring a television screen on which colored slides of Southern Illinois scenes were flashed, under the heading "Look at Southern Illinois when you are looking for a plant site." On the other side of the display, a flicker panel with pictures of an SIU building and a large group of people switched periodically to a picture of a modern industrial plant. The caption material changed from a panel reading "This University plus these people" to one reading "Partners in Progress."

Staffing the exhibit with Henderson were Robert E. Knittel and Ed Hasse of the University; I. E. Vessell, Eldorado, district manager, Illinois Power Company; and Mason Parker, Marion, industrial engineer, Central Illinois Public Service Company.

The Illinois Division of Industrial Planning and Development had a display adjoining that of Southern Illinois.

VAC-U-LIFT TO EXPAND

The Vac-U-Lift Company of Salem, involved with other firms in a $75,000,000 merger recently, is scheduled to undertake a $100,000 building expansion program. Vac-U-Lift is the country's largest manufacturer of vacuum material handling equipment.

George F. Lytle, company manager, said the expansion would triple the capacity of the Salem operation.

Vac-U-Lift was a subsidiary of the Hufford Corporation until that firm and the Unitronics Corporation merged with the Siegler Corporation in May. John G. Brooks, president of Siegler, said the consolidation would diversify Siegler in the field of military electronics and broaden the firm's commercial product base. A large Siegler plant is located at Centralia.

Carlyle residents believe the proposed Kaskaskia River dam and reservoir project which may be constructed near that city will have a big impact on Carlyle's growth. They are already studying possibilities of establishing a City Plan Commission and creating zoning ordinances.

The project would cost $34 million. The state would pay $3 million and the federal government the remainder.

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HOE INDUSTRY STUDY REVEALS BRAND DEVELOPMENT CONCEPTS[1]

By Paul M. Hoffman

The shoe industry is a challenging one. It has e usual distribution problems which are found ith mass production and widespread markets. In ddition, it has special characteristics which in- uence both the production and the marketing of oes. First of all, its product must be distributed every person in the country—usually several mes a year. About three pairs of shoes per person re produced and marketed annually. This would em to make it a universal product—more widely urchased, perhaps, than any other. Many articles food and other items considered as necessities e rarely purchased by certain individuals. Foot- ear is one item most purchased by men for their n use, and even children become involved in the urchasing of shoes at an early age.

The shoe manufacturer has many problems such the variations required in the product merely to eet minimum physical requirements of wearers, say nothing of the addition of different types and yles of shoes. But it is more important to own a arket than it is to own a mill, and to gain that arket the shoe manufacturer has had to decide w he should differentiate his product from all hers of a similar nature. One of the best ways of setting his product apart is by branding it. Hav- g once decided to brand his product, the manu- cturer is immediately faced with the necessity of aking certain decisions as to policy.

The St. Louis Setting

The St. Louis area of the shoe industry is a vital rt of the shoe industry of the United States. nong members of the industry, the St. Louis area known as a "branded market." It would be more arly correct to refer to it as a center for the pro- ction of branded shoes—and in this case "brand- " means the use of manufacturers' brands. The mbers of the shoe industry of the St. Louis area er to all shoes not having a manufacturer's brand being "unbranded." Consequently, all shoes leav- a factory in this area with a retailer's or other tributor's brand, or those having no marks at all, uld be referred to by the shoe manufacturers as ng "unbranded."

Of the shoes made in this area, 81 per cent leave factory under a manufacturer's brand or trade- rk and it is this segment of production which is erred to by the industry as "branded" shoes.[2] e remaining 19 per cent are sold under distributors' brands, practically all of which are retailers' brands. With the exception of two companies selling all of their production under retailers' brands, most St. Louis manufacturers producing under brands other than their own produce only a small percentage of their total volume in this manner. This high percentage of production under manufacturers' brands substantiates the claim of St. Louis of being a "branded market," or, more accurately, a center for the production of shoes under manufacturers' brands. It is claimed that this has been true since immediately following World War I.

Production Centers

Although shoe manufacturing has spread more and more throughout the United States, production is still centered in certain areas. Ten states have consistently accounted for more than 85 per cent of output. The leading states in shoe production for 1954 in decreasing order were Massachusetts, New York, Pennsylvania, Missouri, Maine, New Hampshire, Illinois, Tennessee, Ohio, Wisconsin, and New Jersey.

According to figures secured in this study the Greater St. Louis Area produced in 1954 some 92 million pairs of shoes, or approximately 17.5 per cent of the national production. These St. Louis–produced shoes had a total wholesale value of over $475,000,000. As of 1954 there were some 130 shoe factories which were St. Louis–controlled. Of this total, eleven plants are located outside of the St. Louis area, so that findings herein presented are for 119 plants, thirteen of which are located in the city of St. Louis and 106 outside the city of St. Louis, but in the Greater St. Louis Area.

Shoe Manufacturers' Association

The shoe manufacturers of the area have founded their own Association, known as the St. Louis Shoe Manufacturer's Association. As of 1954, this Association had twenty-eight[3] members and was responsible for producing 96 per cent of all shoes produced in the area. Because of this high percentage of the total production being made by members of this Association, data supplied by members are considered representative of the shoe industry of the St. Louis area.

The Problem of Branding

Whereas the merchandise-mark in ancient times was a mark of liability, it has changed to one of great value in our present-day economy. Trademarks are the means most commonly used to distinguish one product from another and, with proper promotion, are registered in the minds of prospective customers. However, the shoe industry as a whole has not been able to compete with other

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The basic research from which this article has been pted was done as part of a Ph.D. dissertation at the duate School of Business Administration of New York versity.

Data developed here are for the year of 1954.

[3] One of these members maintained only a large sales office in St. Louis, all of its production taking place in New York State. Consequently, only data from the remaining 27 members are used.

industries in making its brands commanding to the public in the matter of consumer recognition of brands.

The Problem

The problem with which we are concerned is the problem of the concept of the manufacturer toward brand development. The procedures employed by shoe manufacturers in determining and executing their branding policies are developed and evaluated. The manufacturer is faced with the alternative of using one brand to designate all the shoes he produces, or of having multiple brands to designate different items, different qualities, different price lines, and the like. What factors are considered important by the manufacturer in choosing a brand name? Who, within a particular organization, should be responsible for decisions regarding branding? What steps are taken by participating firms in protecting their brand names or trade-marks to preclude infringement and prevent their brand from becoming generic?

The consumer acceptance and continued favorable attitude toward a given product are often the result of proper product planning and improvement. What steps are taken by participating firms to assure themselves of this protection of their trademark quality and its continued acceptance by the consumer?

It is also considered important to know what policies are followed by the St. Louis shoe manufacturers in promoting brand names. From all the data gathered, does it appear that these manufacturers are sufficiently critical of the value of brands as a marketing tool, especially in view of the industry's failure to make brands commanding to the consumers?

This report concerns itself mostly with the importance of brands in the marketing of shoes. The growth of the industry in the St. Louis area and the concept of the manufacturer toward brand development has been a major concern. The complete report presents original data about branding policies of the members of the St. Louis Shoe Manufacturers' Association, who, as a group, are considered representative of the St. Louis Shoe Industry. It provides also a report of the composite feeling among key executives in the respondent firms about the value of brands as a tool of marketing.

Summary and Conclusions

The findings of the study suggest a number of conclusions of primary importance.

First, the foundation for the shoe manufacturing business in the St. Louis area may be attributed to some eight factors, most of which are associated with the westward expansion of population, industry, transportation, and the increasing lack of rapport between the St. Louis shoe jobbers and their eastern suppliers.

Second, shoe men in this area have been alert to new trends in such areas as manufacturing, styling, and distribution, as given emphasis by such facts as (1) the change to casual shoes in 1948; (2) the change to fashion shoes when for many years St. Louis shoes were synonymous with staple shoes; (3) the inauguration of a course in shoe design at Washington University in 1947; and (4) the change in distribution, primarily to independent retailers and chain stores.

Third, the shoe industry of the St. Louis area is unusually brand conscious. While the general proposition is inherent in many findings of the study, it is given particular emphasis by facts such as (1) by 1947 St. Louis was the top manufacturing center for branded shoes, with seventy-two nationally advertised brands and an advertising budget of nearly $5,000,000; (2) by 1950 nearly half of the branded lines in this country were manufactured in this area; (3) by 1954, as found in this original research, of the twenty-five companies using manufacturers' brands all of them engaged in advertising, twenty firms in national advertising; (4) firms participating in the study spent over $12,500,000 in 1954 in advertising and promoting their products; (5) some seventy-six brands were nationally advertised, distributed as follows: forty-eight brands of women's shoes, fifteen brands of children's shoes and thirteen brands of men's shoes.

Fourth, distributors' brands, other than retailers' brands, are of negligible importance to participating firms, with only about 90,000 pairs of shoes of total of 92,000,000 pairs produced in 1954 being sold under wholesalers' brands.

Fifth, manufacturing under retailers' brands is of secondary importance to members of the shoe industry of this area, and is declining in favor among those firms currently accepting this type of business.

Sixth, slogans are used by the majority of participating firms. Eighteen companies, or two in three, used slogans. If used at all, they are generally used continuously. Many of the slogans used by participating firms carry a sales message particularly well associated with the product and brand name.

Seventh, the outstanding reason for the origin of a brand at a particular time was that it coincided with the date of origin of the company, as stated by fifteen firms. Eight firms adopted a name to characterize a certain type of shoe adopted at a given time while five firms adopted a name at a time when they felt they needed more outlets.

Eighth, many factors are considered in choosing a brand name. The two leading factors, as stated by seven firms, were (1) the brand name must characterize the product; (2) the brand name is used to connote fashion or the designer (the importance of fashion shoes to this area is evidenced in both reasons); (3) association with the company making the shoe, simplicity, and association of the brand with the founder of the company were all mentioned by six firms; (4) five firms choose any brand name not already registered (and this is difficult to do); and (5) only in three cases was the brand name chosen to represent a certain price range.

Ninth, the selection of a brand name for shoes is a positive rather than a negative procedure. Most of the firms participating did not attempt to avoid any factor in selecting a brand name. Most of these

knew what they wanted in a name—a family name, one which suggested fashion, a brand name appealing to children, and the like.

Tenth, the executive department carries the major responsibility for branding decisions. (1) In twenty-two of the twenty-five firms using manufacturer's brands executives entered into these decisions; (2) the marketing department also carried a major role in these decisions inasmuch as in nineteen firms representatives of this department entered into these decisions; (3) in all cases, the production department played a minor part in decisions regarding branding, for only in four firms was it even consulted, and then only in conjunction with the executive and marketing departments.

Eleventh, brand names and trade-marks are changed infrequently.

Twelfth, a retail price range in shoes produced in this area is the accepted practice. Each firm in the study had a range in the retail price of its shoes, some of the firms having many brands and many price ranges.

Thirteenth, as to branding, the leading problem of the shoe industry is brand confinement, as stated by twelve firms. In order to escape this narrowing of the market, shoe manufacturers often resort to multiple manufacturers' brands or manufacturing under retailers' brands. Either avenue leads to multiplicity of brands in shoes and the scattering of promotional efforts, leading to less recognition of brands among customers.

Fourteenth, there are too many brands of shoes in existence. Some 281 manufactured brands are owned by members of this study. No effort was made to determine the total number of retailers' brands under which production from this area is marketed. As an illustration, one of the smaller companies studied, producing around 500,000 pairs of shoes in 1954 and selling wholly under retailers' brands, used 532 brand names. The limited promotion budget does not allow for adequate advertising and other means of promotion of so many brands.

Fifteenth, shoe manufacturers as a group in the St. Louis area are not sufficiently critical of effectiveness of brands. In this respect, some confusion exists as to the relative effectiveness of fashion and brand names.

While some of the firms studied stated several possible disadvantages attached to branding, almost without exception they did this reluctantly, usually at the same time mentioning the advantages of branding. Five firms mentioned (1) the maintenance of a brand name quality, and (2) the promotion costs involved, as deterrents to branding; (3) the desire for exclusive brands on the part of retailers ran a close third; and (4) four companies mentioned that branding narrows the market.

Sixteenth, the leading reason given for branding shoes is (1) to secure the benefit of any customer goodwill that may accrue, and in this there was widespread agreement in twenty-four of the firms studied. (2) Twenty-two companies use branding to encourage repeat sales through the recognition of the brand name, and (3) eighteen firms felt that branding simplified sales promotion.

Seventeenth, as an aid in controlling the distribution of the product, (1) twenty-two firms agree that branding facilitates finding dealers who are willing to stock a certain brand, while (2) only eleven firms felt branding stimulates a sufficiently strong consumer demand to force dealers to handle a given brand. The two largest firms are in this group, and their reasoning might well be conditioned by the size of their respective advertising budgets.

Eighteenth, shoes made by participating firms are not fair-traded. All participants agree on this matter.

Nineteenth, brand-quality association is fostered by these factors:

A. *Advertising.* The advertising budget of the shoe industry for this area in 1954 was well over $12,000,000 and practically every media was used by members of the shoe industry.

B. *Informative Labeling.* This is not an accepted method of establishing a brand-quality relationship by participants. Of the ten companies using informative labeling, much of it might be classified as advertising. Seventeen participating firms use no informative labeling.

C. *Grade Labeling.* Grade labeling is not used in shoes as a means of brand-quality association. Four companies recognize difference in the quality of their shoes, as may be expressed in the brand names. One of these firms recognizes a *range* in quality within some of its brands, so that the brand name does not necessarily establish the quality. Two additional companies recognize that the respective brand names do not establish the quality of the shoes, but that the price charged does indicate the quality.

D. *Institutional Approval.* Institutional approval is not generally sought by participating firms with the possible exception of the commendation seal of *Parents' Magazine.*

Twentieth, registration of trade-marks with the U.S. Commissioner of Patents is deemed important by all twenty-six firms studied and owning manufacturers' brands. On the contrary, many firms feel no urgency regarding state registration of their respective trade-marks.

Twenty-first, no steps are currently being taken by participating firms to prevent their trade-marks from becoming generic.

Twenty-second, one of the largest areas for possible improvement of the shoe industry is in the field of consumer research. Except for a few scattered attempts at testing wearing quality of parts of shoes, only one company has any type of research, and that is a consumer panel conducted every six months.

Twenty-third, a great deal, probably too much, reliance is placed on the retailer. This is inherent in the interviews and in many of the findings, such as (1) the importance placed on advertising in trade journals, and (2) the almost complete reliance on the retailer for information concerning consumer wants, with fourteen companies relying partly or

wholly on retailers to supply them with these data.

Twenty-fourth, the review of the shoe industry and the effectiveness of its brand promotion practices demonstrate the small amount spent by the industry in advertising; small, that is, in relation to the value of its product. Even in comparison with the rest of the apparel industry, the shoe industry spends approximately half as much on advertising, based on estimated retail sales.

That the shoe industry compares so unfavorably with the rest of the apparel industry is particularly disturbing when one sees that the apparel industry has not kept pace with other industries. Whereas in the past six years national advertising of all products and services has increased by 50 per cent, national advertising of apparel increased by only 3 per cent. This per cent was only a dollar increase; in view of higher advertising costs, it represents an actual decline in space used. Possible reasons for the relatively weak national promotion of shoes is the fact that this industry is a fragmented industry with many small producers. Furthermore, the profit structure cannot bear the cost of heavy promotion with the great number of brands and the role played by frequent style changes hampering the effective national promotion of shoes.

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A more complete report compiled by the author carries suggestions for improving brand usage, and also gives recommendations for further studies.

INDUSTRY SEEKING PLANT SITES NEAR WORKER TRAINING CENTERS[1]

The increasing emphasis which modern industry is placing on the educational level of new employees is of significance to every community seeking new payrolls and every manufacturer seeking a plant location.

A recent study made by E. I. duPont de Nemours & Co. shows that one out of every seven of its employees today is a college graduate, contrasted to 1947 when about one employee in ten had a college degree. This trend reflects the fact that DuPont's technology has advanced, and, along with progressive mechanization and expansion of research, more and better jobs are being created. Despite the increase in the company's total employment, there are fewer unskilled jobs in its plants today, and a high proportion of the people being hired now have at least a high school education.

It would appear almost axiomatic that the increase in mechanized manufacturing production, especially those phases of automation which more companies are installing, will mean substantially greater requirements for labor with a good educational background. Every advancement in scientific and engineering development requires more research assistants and more technicians. Companies making new plant locations, especially in chemical, electronic, and precision metalworking fields, are placing more emphasis on the training facilities available in the areas under construction.

Only last month District 10 Council of the American Society of Civil Engineers meeting at Chattanooga called attention to the "serious potential threat to our nation's future development and security" in the present shortage of engineers and scientists, reports the *Chatanooga Times.* The Council, which includes membership from eight sections in the Southeast, pointed to a shortage of teachers throughout the nation's school system, especially in the fields of science and mathematics. It also found "a lack of attention and interest on the part of parents and others encouraging and counseling qualified young people in scientific and engineering channels," says the *Times.*

Industries that have a relatively high ratio of investment per worker are much more important in the Southeast's economy today than they were 20 years ago, points out a recent article in the *Monthly Review* of the Federal Reserve Bank of Atlanta. The increased use of material capital goods, this article stresses, cannot account for all the economic growth in the area, and the extent to which workers are able to utilize capital goods profitably depends largely upon the training, health, and attitudes of those people. These forces often are not recognized as being pertinent to economic progress.

"To make a capital investment is to divert current income or potential income from the immediate consumption to uses that are expected to yield improved future incomes," the *Review* stresses. In the same fashion, there is an investment by the community in a worker as he receives education from publicly supported elementary and high schools, colleges, and similar institutions. Therefore the education or training of industrial workers can be considered a "social investment" in the labor force. The more education and training a potential worker attains, the greater will be his future productivity.

The investment which any community makes in its young people, in their formative years, has been recognized by many of the leaders of our communities. In 1924, the *Review* points out, Tennessee spent \$25.62 per pupil in primary and secondary school expenditures; in 1952, the State was spending \$169.95 per pupil, an increase of 563% in that period, contrasted to a national expenditure of \$276.48 per pupil, an increase of 269% in the same period.

If anything, the requirements for better trained and better educated people to meet the demands of our growing and advancing industrial economy are going to be even larger in the future.

[1] Reprinted from TENNESSEE INDUSTRIAL NEWS-LETTER, April 1, 1957. Page 1-2.

'ENDENCY TO EXAGGERATE EFFECT OF "TIGHT MONEY" ON BUSINESS

By Guenther C. Wiegand

There has been much talk lately about "tight" redit, and its effect upon business in general and nall business in particular. At its recent meeting t Milwaukee, for instance, the Midwest Economic ssociation devoted considerable time to the prob- m.

There is no doubt that interest rates have risen uring the past two years—the Federal Reserve iscount rate has been increased from 1¾ per cent 3 per cent and the average rate of 91-day Treas- ry Bills rose from an average of 0.94 per cent in 954 to 2.62 per cent in 1956 and about 3 per cent April, 1957—and credit is less plentiful than it as during the postwar decade.

One should be careful, however, not to draw too bvious conclusions. There is no basis for regarding e present "tight" money market as artificial, ab- ormal, and generally undesirable for the economy. he total amount of credit outstanding is far larger ian it has ever been, and even the small borrower nds it easier today to obtain credit than he did uring the boom years of the 1920's and the era of easy" credit of the 1930's. Credit seems "tight" nly because we compare the present situation with e artificial, abnormal, and inflationary credit ease the postwar years.

Credit Expansion of the Postwar Years

Since the end of the war, public and private idebtedness in the United States has increased at a ate unprecedented in any peacetime period in the istory of the country.

Some people expected that the easy credit policies ould come to an end with the advent of the Eisen- ower administration in 1953. This did not prove to e the case. In fact, credit increased at a particular- rapid pace between 1952 and 1956. While the ross National Product (all the goods and services roduced in the country) grew by 20 per cent, con- imer credit rose by 48 per cent, automobile paper one by 87 per cent, real estate loans by 40 per nt, and total loans by commercial banks by 38 per cent. In short, private and business indebtedness increased almost twice as fast as production.

TABLE 1

TOTAL CREDIT OUTSTANDING (in billions)

TYPE OF CREDIT	1945	1956
ortgage debt (1–4 family houses)	18.6	99
orporate debt	85	211
ate and local debt	13.7	42.7
ederal debt	252.9*	276.7
onsumer credit	6	42
otal indebtedness	419	717

* End of 1948

To this credit inflation must be added the fiscal policies of the federal government. Despite steadily growing tax receipts, the national debt grew by another $9.3 billion during the past four years. In three years (1952–55) total public spending—federal, state and local—increased by 18.7 per cent from $96 to $114 billion; even though total tax collections increased by 100 per cent between 1946 and 1956, from $49 to $99 billion, the increase was inadequate to keep pace with the even more rapid growth of public spending. At the present time almost 38 million Americans receive payments from the Federal Government in one form or another. In 1932, state grants-in-aid amounted to $250 million; in the 1958 budget 78 projects (18 more than in the current budget) call for an outlay of $3½ billion.

As a prominent Swiss banker warned recently: "The inflation is veiling the fact that America is living beyond her means."

Credit Expansion and Bank Liquidity

Since the banking system was in a very liquid position at the end of the war, it could increase its loans to business and the consumer from $30 billion to $111 billion during the postwar decade, but by now the banks have largely exhausted their excess liquidity. In 1945, capital funds were equal to 35 per cent of loans; today they amount to only 18 per cent. In four years (1952–56) the bank holdings of short term government obligations, which can be turned into cash quickly when needed, declined from $11.8 to $6.5 billion. Not since 1929, shortly before the big crash, have bank loans been as high in relation to bank assets and deposits as they are today. The American banking system is perfectly sound, but it has gone to the safe limit in creating credit, and a further substantial credit expansion would weaken the banking structure.

While the Federal Reserve System stopped its policy of almost unlimited credit creation as far back as 1951, under the Truman administration, the System has not pursued what could possibly be called a "tight" money policy. Between 1952 and 1956, Federal Reserve credit increased from $25.8 to $27.1 billion, and another $1 billion was added to the lending capacity of the banks through a reduction of the legal reserve requirements. Moreover, the turnover of bank deposits has increased sharply during the past ten years—by 92 per cent in New York, 46 per cent in six major money centers, and 40 per cent in 337 other cities—a typical sign of inflation and boom conditions.

Inflationary Effects

The "easy" money policy of the postwar decade which helped to finance the great boom has not been an unmixed blessing. It was largely responsible for the inflation of the past ten years which is causing hardship and economic dislocations throughout the country. Since 1945, the dollar has lost about 55 per cent of its purchase power. A U.S. Sav-

ings Bond purchased in 1945 for $18.75 was paid back at $25 in 1955, but the $25 purchased only $16.87 worth of goods (in terms of the 1945 dollars).

A house which cost $9,340 in 1950 is currently priced at $13,200—a 40 per cent price increase. While home construction declined 16 per cent in 1956—partly due to the inability of builders to secure mortgages at the low postwar rate of 4½ per cent—building cost continued to climb by another 4.6 per cent or 50 per cent faster than the general cost of living increase, which in itself has undoubtedly deterred many Americans from building at this time.

In 1956 alone, costs of living increased by almost 3 per cent to an all-time high, resulting in a corresponding depreciation of the savings of millions of Americans. More than 100 million Americans hold some $400 billion in life insurance; savings and time deposits total about $100 billion; in addition there are $57 billion of savings bonds outstanding. These three forms of savings alone depreciated last year by almost $17 billion. Thus, while personal income increased by $19.1 billion last year, more than 85 per cent of the increase represented the "expropriation" (by means of inflation) of those millions of Americans who had saved money.

Why, then, should people save if inflation is likely to continue? And as the people save less, correspondingly less credit will be available. Today's "tight" money situation is thus to a large extent the direct result of the "easy" credit policy of the postwar years and the resulting depreciation of the dollar.

Tight Credit and Small Business

The tightening of credit tends to affect small business more directly than big business because the latter, as a rule, has larger liquid reserves and can draw on other sources of credit than commercial banks. Small business, moreover, has come to rely increasingly on commercial banks for the supply of fixed capital—a tendency which is far from desirable since it undermines the liquidity of the banking system.

According to a Federal Reserve study about 74 per cent of the increase in bank loans between 1946 and 1955 were of a non-selfliquidating nature, which commercial banks as a rule should make only to a very limited extent. In other words, the banks went out of their way during the postwar years to provide credit for small business with the result that many of the banks have now reached their limits.

It is incorrect to assume that the banking system intentionally discriminates against small business. The legal loan limit for about 11,500 banks (out of a total of 13,600) is $100,000 per borrower, and for many country banks it is far less. More than 80 per cent of the banks are thus in effect compelled to lend to small business, and the 2000 large banks which could favor big business do not automatically prefer to make big loans to large borrowers for the simple reason that small loans carry higher interest rates and can thus be more profitable. A study by the American Bankers Association showed that during the 12 months ending August, 1956, the aggregate dollar amount of loans up to $50,000 increased by 14½ per cent while those in the $50,000-$100,000 bracket showed an increase of 15 per cent. Of the two largest banks in New York, the Chase Manhattan reported an increase of 31 per cent in small loans from $1000 to $100,000, while the First National City Bank showed an increase of 20 per cent in loans up to $25,000. In view of the fact that the Gross National Product increased 5.5 per cent last year, a 14 per cent increase in small business loans does not seem to reflect an unreasonably "tight" credit policy. Moreover, the increase in interest charges on small loans was relatively smaller than the increase on large loans.

To summarize briefly: The artificial "easy" credit policy of the postwar years, which contributed greatly to the chronic depreciation of the dollar, has come to an end chiefly because the liquid resources of the banking system have been largely exhausted and the Federal Reserve has been reluctant to create more credit which would lead to a further depreciation of the dollar. Yet credit is far from "tight" if compared with conditions prevailing prior to the artificial "ease" of the postwar decade.

While small business, which was able to rely on commercial banks for part of its fixed capital during the postwar years, is confronted with more difficulties in obtaining credit than some of the large concerns, the actual situation hardly justifies the much-publicized complaint that "tight" money is undermining small business. In general, those firms which started on a shoestring and the hope to be able to operate, and gamble, on other people's money are being squeezed—a typical development as a boom approaches its peak—but small business as a whole is probably less affected by the tightening of credit than by the top-heavy tax burden and the wage-price spiral. Big business can usually shift increased cost to the consumer; small business very often cannot.

It is thus not easier credit which small business should fight for, but a reversal of the inflationary trend and a drastic reduction in taxes and government spending.

The city of Cairo is building a $110,000 factory shell in an effort to attract new industry.

The structure will be 120 by 300 feet and will be adaptable to use by a great variety of industries.

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Chester has a new industry that is expected to be employing about one hundred men by August 1. The St. Charles Tool Company of St. Charles, Missouri, has moved into Chester as part of an expansion program. The company has been manufacturing jigs and fixtures for military planes for the past five years. McDonnell Aircraft, St. Louis, has asked the tool company, a defense sub-contractor, to set aside 9,300 hours a month for its orders.

ISTITUTE COURSES DESIGNED FOR RETAILERS AND SALES FORCE

The philosophy behind successful sales is being ven practical application in a series of meetings e Southern Illinois University Small Business stitute has been offering throughout the area.

Designed to present sales concepts and techniques hich benefit the retail store owner, sales personnel, id, ultimately, the consumer, the meetings are part a package of three programs the Institute has veloped at the request of various retail organizaons. Retailers and their employees who have atnded Institute sessions say they have come away th a new approach to their selling practices.

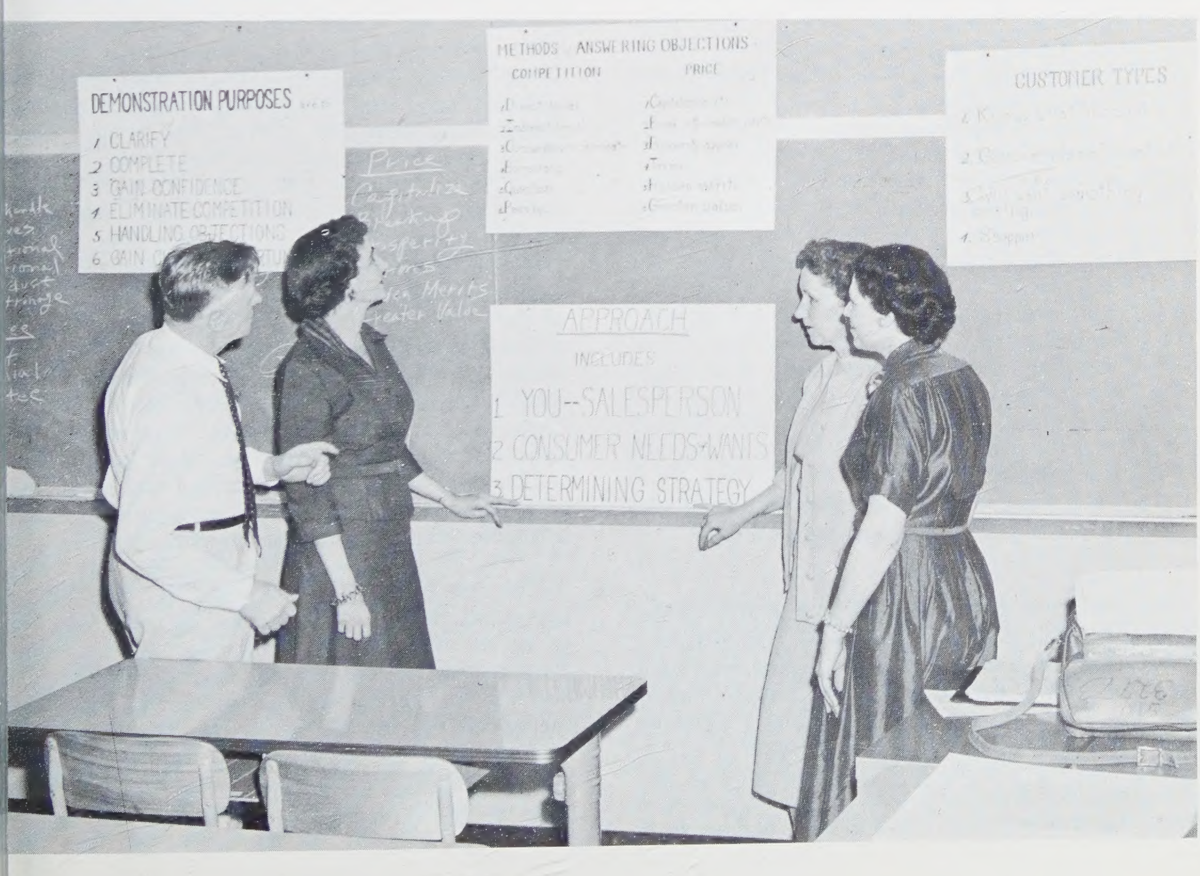
The programs now conducted by the Institute in ea communities are (1) Sales Management, which presented only for owners and sales managers, (2) les Clinics, designed for all sales personnel, and) Credit Sales, geared primarily for the credit anagement of the company, but also to be utilized the selling people as an accessory. These sessions are aimed at better satisfying the consumer through education of the management and sales personnel. They utilize lectures, films, surveys, skits by the lecturers and skits by the participants, and they deal with brainstorming, creative thinking, and all the other tools of selling.

The Sales Management meeting is of approximately seven hours, duration. Generally, retail managers have preferred to start at 3:30 in the afternoon, break up at 6 for a buffet, resume at 7, and work until finished at approximately 11. In handling the Sales Management meeting, a survey is made of the town, the problems of the participants are drawn out of them and discussed, a film is used, and then a session on "Responsibility" is held.

This session points out that the sales management controls the consumers, store, merchandise, and sales person through (1) creating demand, (2) developing the four elements of a sale, (3) determining breakeven points, (4) setting example, (5) proper communication, (6) consumer-centered world, (7) training sales people, (8) determining sales needs.

A skit is staged showing improper selection of personnel and its results, followed by a session on "Employee Selection" which brings out the attributes of the salesman needed for a particular store, methods of finding him and methods of determining his possible success. Next, there is a session on "Employee Training," showing the necessity of determining what is needed for the job and finding out what the salesperson knows. It points out why

BELOW: At Harrisburg, Frank Stamberg of SIU reviews me sales pointers with (l to r) Mary Field, Pavah hiteside, and Marie Harris. Lectures, films, and skits are ed in Small Business Institute sales sessions.



training is necessary from the viewpoint of the store, salesperson, and the consumer, indicates what training should develop, and gives a very simple training outline.

Following the session for the sales management, an automatic step has been a series of six monthly meetings with all sales personnel in the area. These are called "Stimulating Sales in Six Sessions." This dynamic program has successfully been used to inform and present to sales personnel in the retail field the sales philosophy by using educational tools, giving them a chance to participate in the discussion, and encouraging them to do creative thinking. Brainstorming, use of survey material, and play acting are essentials also used.

The sessions cover these points:

1. Who is She, Customer or Consumer?
   a. traits of a customer
   b. types of customers
   c. cultivation of a customer
2. Salesman or Undertaker?
   a. who is a salesman
   b. traits of a salesman
   c. types of salesmen
3. Selling Aids—Extra Tools
   a. use of advertising
   b. use of displays in store windows
   c. use of manufacturer and salesman
   d. mailings
   e. telephone
   f. other store facilities (credit, delivery, pa ing)
4. Approach—A Foot in the Door
   a. greeting customers
   b. determining customer wants
5. Demonstration Tactics—Get the Point
   a. product knowledge
   b. proper presentation
   c. question answering
   d. selling point
   e. handling objections
   f. quality versus price
6. Who's K.O.'d, Customer or Salesman?
   a. timing
   b. trial closing
   c. summing up
   d. reselling and re-representation
7. Super Selling
   a. add-on selling
   b. step-up selling
   c. selling store services
   d. replacement or substitution selling
   e. advertising specials and promotions
   f. telephone
   g. mail

The credit sessions involve approximately twelve hours time and include meetings on "Development of the Need of Credit," "Does a Consumer Want Credit?," "Going into the Field of Credit," "Credit Sales Promotion," "Types of Accounts," "Opening the Account," and "Collecting the Account."

Large attendance at all of these meetings has prompted the Institute to plan expansion of these programs in the fall. For additional information on any or all of these programs contact Ralph Be well, Director, Small Business Institute, Southe Illinois University.

Cy Hastings of the Small Business Institute conducts program for retailers at Carmi. Consistently, Institu sessions have had good attendance.

The Carbondale Chamber of Commerce has a nounced plans to establish an industrial park nor of the city.

The Chamber wants to acquire sites at the pla where the Illinois Central's main line to Chicago met by the railroad's east-west tracks running fro Carbondale to St. Louis. Route 51 parallels the I main line through the proposed park site.

Chamber officials are studying various metho of financing the park where sites could be ma available to industry moving into the area.

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The new mayor of Mt. Vernon, Virgil T. Baile says that the city will hire an industrial engine to serve as a salesman to attract new factori Bailey said the county government, the city Cha ber of Commerce and civic organizations a pledged to support the move financially.

The engineer, a man trained in sales as well factory production problems, would go to "indu trialists' meetings, their offices, and anywhere nece sary to sell our city," according to Bailey.

MEANING OF RETIREMENT STUDIED IN AREA COAL-MINING COMMUNITY[1]

By J. S. McCrary

In our society the impact of retirement upon the individual can hardly be overrated. Because of necessity as well as of social definition, the importance of work and earning a living is so great that the separation of the individual from his occupation constitutes a transition of critical significance for the older person. Retirement creates physiological, psychological, and social problems of adjustment.

Despite the fact that people are living longer than ever before, the retirement ages are moving downward rather than upward. In many occupations age becomes a barrier to employment long before age sixty-five is attained. If the present trend continues, any further increase in longevity will add primarily not to work-life expectancy but to years in retirement.

With these general trends in mind, a study was made of the role, status, and participation of the aged (those sixty-five and over) in a small (2,300 population) Southern Illinois mining community in 1954–56.[2] Of the 268 persons age sixty-five and over who resided in Coaldale, as of 1950, a total of 223 persons were included in the study[3]

Types of Employment

In order to investigate the meaning of retirement and economic security of the older Coaldalite, several questions were included as part of the initial interview contact. The questions were concerned with lifetime occupation, satisfaction with job, present employment status, type of present work, reasons for not working, feelings of economic security, sources of income, and retirement activities. The older person was asked to elaborate on his feelings about retirement and economic security.

All of the men in the study group reported having worked to earn a livelihood for themselves and their families. Only eighteen (16.4 per cent) of the older women report earning money during their adult life. Of these, 50 per cent are in the sixty-five to sixty-nine age group.[4] An analysis of the types of gainful employment of the older women during adult life reveals the following occupations: nursing, teaching, seamstress, dressmaker, and boarding home operator.

Among the older men the predominant occupation during adult life was that of coal mining. A total of 76.9 per cent of the men report this occupation.[5] Farming is the second most frequent occupation (9.7 per cent) followed by business and railroading (4.4 per cent each), skilled labor (1.8 per cent), and unskilled labor (2.6 per cent). The age period at which the older men report peak earning power was fifty to fifty-nine.[6] The arrival of the peak years of employment during the fifty-year age period is an important factor in the desire of the miner to continue work beyond age sixty. He prefers to continue receiving wages rather than accept the miner's pension of one hundred dollars per month. Despite the yearly increase in wages, the total take-home pay of the miner has been reduced in the past few years as a result of the lessening demand for coal for domestic heating purposes. A shortened work week accompanied the higher wages.

An analysis of the present employment status of the older Coaldalite reveals that only 7.6 per cent of those over sixty-five are working full time. This compares with 4.9 per cent who work part time and 87.4 per cent who are not working. An analysis of employment status by sex and age reveals that only 1.8 per cent of the women work full time. All of these women are in the sixty-five to sixty-nine age group. The women who work part time (7.7 per cent) serve as practical nurses, registered nurses, and substitute teachers in nearby rural schools. These women are also in the sixty-five to sixty-nine age group. For women, increase in age is associated with a decrease in the number who work full and part time. This is also true for men. A total of 13.3 per cent of the older men work full time. Of these all but one are sixty-five to sixty-nine.

The full-time employed men are coal miners who continue their employment beyond the age of voluntary retirement. A total of 7.1 per cent of the men work part time compared to 79.6 per cent who do not work. For the men part-time work consists of hauling coal and wood, motor repair, small-scale farming and gardening, and unskilled labor on city streets and parks. There is little likelihood for employment for the older men in Coaldale either full or part time. If they wish to work they must compete for the few jobs available against the younger men. The older men are forced to "sit, think, and talk" and while away a seemingly endless amount of free time.

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[1] This is part of a larger study dealing with the role, status, and participation of the aged in a small community. The writer acknowledges the support given by the Graduate School and the College of Liberal Arts and Sciences, Southern Illinois University.

[2] For purposes of identification the community will be designated by the name Coaldale.

[3] The two most significant sources of data for the study centered around the use of a revised form of the Cavan, Burgess, and Havighurst "Activities and Attitude Inventory," and the personal interview.

[4] This reflects the feeling of the older generation toward working women. Today the younger Coaldalite woman in her twenties and thirties usually works in order to supplement her husband's income.

[5] The psychological effects of retirement and the individual's adjustment depend in a large measure on the nature of his occupation. The typical retired Coaldalite is an ex-miner. It is unnecessary to point out that as an occupation coal mining is hazardous, strenuous, dirty, and noisy. Danger is ever-present.

[6] A total of 48.7 per cent report this as the age of the best paying job. The peak earning power of the older men came only ten years prior to their voluntary retirement age of sixty. This is partially explained by the yearly increase in wages of miners as a result of contract negotiations.

Age-Wage Comparison

The older person who was working either full or part time was asked to compare his present work with his work at age forty in terms of earnings and enjoyment. The results indicate that the worker earns less money at the present time (82.6 per cent) and derives less enjoyment from his present work (70.6 per cent). None of the present workers receives more earnings than at age forty and only 4.5 per cent derive more satisfaction from present work than work at age forty.

An analysis of stated reasons for not working full time reveals that the older men who do not work give retirement (87.8 per cent) as the reason for not engaging in work at the present time. It is significant that physical disability and a desire not to work play minor roles, 4.4 per cent and 0.0 per cent, respectively, as reasons keeping the worker from full-time employment. Inability to find work (7.8 per cent) indicates that some of the older workers would work if there were jobs available. As expected, physical disability becomes an increasingly important reason for not working as age increases.

The meaning of retirement given as a reason for not working full time is subject to various interpretations. A significant explanation in the case of the older Coaldalite is that it is an expression of hopelessness and despair. To him retirement signifies his uselessness as a wage earner and as an important member of the community. Retirement to the older Coaldalite means the end; there is nothing to look forward to except mere existence. Work gave him income and in return took a certain amount of his time and physical effort. It defined a pattern of association for him and helped to determine his status in the family and community. The loss or unsatisfactory replacement of these meanings creates a major adjustment problem. The statement that one continues to work or would like to work because he needs "something to do" tells something of the nature of the personality structure of which the need is an expression. This is revealed in the following comments drawn from interviews:

> After 1951 I did not work because I was too old and I could not get a job. I used to work not only every day, but I worked double time too. Sometimes, I finished my day shift and the boss said, "Well, you want to go to work tonight?" and I said "Yes, I'll go to work tonight," and so I worked the clock around many times. Now I can't do any work because of my age, so I'm just retired. (*Male, age sixty-six*)

> If you can't get any other work, you are forced to retire. I couldn't get on any other job. (*Male, age seventy*)

> I didn't want to retire and do nothing, but I had to quit when the mine shut down. I don't feel right. I feel like I should be at work and I still feel this way. (*Male, age sixty-nine*)

> I felt bad when I knew everything was gone and I had to quit my job. I wanted to keep on working full time. I dreaded having to retire. (*Male, age seventy-three*)

> I did not like to retire from my job. I'm too old to get a job now because nobody will hire you and particularly the mines won't hire you. (*Male, age sixty-eight*)

> What's the use of doing anything or thinking about things? It don't do any good because I'm retired. I didn't want to quit the coal mine because when you quit you just do not get another job. When you get to be fifty-two or fifty-three and they let you go, you might as well give up. I know I can do a good day's work today. I've done heavy work. But it doesn't do any good now because nobody wants to give you a job. (*Male, age sixty-five*)

> You see, after you retire you don't have anything but memories to live on. It's hard to forget about the mines. The superintendent told me I couldn't get another job if I quit, and that's why I hung on. (*Male, age sixty-seven*)

> I hated to quit because I knew I couldn't live long, and sure enough, I've never felt good since I retired. I haven't worked a day for four years. I'm pretty useless to have around the place too. All I do is sit here and maybe take a walk downtown. (*Male, age sixty-five*)

In the further analysis of interview material the[re] are indications that the initial shock of retireme[nt] passes and the retired person makes an attempt [to] adjust. However, the deeper feelings of uselessne[ss,] despair, and hopelessness do not pass. Whatev[er] their initial anxieties may have been, most of th[e] older men accept retirement as the end. They fe[el] that their life's work is over and that life itself [is] ending. This further reinforces the tendency to wit[h]draw from others in a psychological as well as [a] physical sense. Participation with others in inform[al] group associations, withdrawal from clubs an[d] organizations, and absence of constructive use [of] leisure time is partly explainable in terms of feelin[gs] of inadequacy which are important characteristi[cs] of the interpersonal and inner life of the old[er] Coaldalite. There is little incentive to do anythi[ng] else.

Security in Retirement

Of special interest is the extent to which the old[er] person feels economically secure. The older Coa[l]dalite was asked to evaluate and describe his prese[nt] economic position. He feels that he has a prese[nt] income sufficient to meet the necessities of life. [A] total of 63.2 per cent—67.2 per cent of the men a[nd] 39.1 per cent of the women—report they ha[ve] "enough to get along on." The older Coaldalite do[es] not feel that he is either well-to-do or wealthy. [A] total of 21.1 per cent report their economic positi[on] as comfortable compared to 15.7 per cent who repo[rt] they cannot "make ends meet."

Persons in the eighty-and-over age group repo[rt] less favorable economic position than do those [in] the younger age groups. In comparing their prese[nt] economic position with their economic position

ge forty, nearly one-half (48.4 per cent) of the lder people feel that they are worse off now than t age forty. At the same time a total of 43.5 per ent feel that the two economic positions are ap- roximately the same. Only 8.1 per cent feel that ieir economic position has improved with age. The ian is more likely to feel that his present economic osition is worse than is the woman. The Coaldale iale remembers his peak earning period and com- ares it with his present retirement income. His issatisfaction with retirement and the desire to ontinue working tend to distort any positive feel- igs which he might have concerning his present conomic position. The relatively low prestige and atus of the retirement period is associated in the dster's mind with inadequate income.

A more objective aspect of economic security than ie's feelings and descriptions is the enumeration sources of income. The older Coaldalite was asked list his sources of support. The most important urce of income is a pension from earlier occupa- on. This chiefly refers to the miner's pension of ie hundred dollars per month.[7]

The second most important source of income is at of social security benefits. These benefits are ually drawn in conjunction with the employment ension. The average social security benefit paid to e older Coaldalite is approximately $65.00 per onth. When this is combined with the miner's ension of $100.00 per month, the average income r the older person in this group is $160.00 to 75.00 per month.[8]

Present earnings is the third most important urce of income for the older Coaldalite. The im- rtance of present earnings decreases as age creases. The oldsters who receive present earnings e the full-time and part-time workers concentrated the sixty-five to sixty-nine age group.[9] Savings d investments as a source of income are given by .5 per cent of the women and 10.6 per cent of e men. A total of 56.2 per cent of the women and .7 per cent of the men who report savings and vestments as a source of income also receive in- me from other sources.

nly 10.6 per cent of the older men receiving employ- ent pensions receive them from sources other than the MW Welfare Fund. These include "company men" mine bosses and supervisory personnel) and railroad orkers. Only 10 per cent of the women report income om the same sources. They are widows or wives of "com- any men" and railroad workers.

total of 42.2 per cent of the men receive the miner's ension. Of these, all but 12 per cent receive both social curity and miner's pension. Among the women, 34.5 per nt receive the miner's pension as either wife or survivor. f these women, 73.5 per cent receive both the pension id social security benefits.

total of 24.5 per cent of the women and 24.8 per cent the men report earnings as the chief source of income. ighty-eight and nine-tenths per cent of the men and 96.1 er cent of the women are in the sixty-five to sixty-nine ge group.

Other Income Sources

Old age assistance is the fifth most important source of income for the older Coaldalite. A total of 13.6 per cent of the women and 7.1 per cent of the men report this source of income. Old age assistance plays a more important role as a source of income for women than for men. Its role also increases with age. The typical recipient of old age assistance is a widow in her seventies or eighties who lives alone and has no other source of income.

A total of 7.2 per cent of the older Coaldalites receive some aid from their children. Since the woman lives longer than the man, aid from children is more apt to be listed by women (9.1 per cent) than by men (5.3 per cent). Fifty per cent of both men and women who are dependent upon their children have no other source of income. Men who have additional sources other than aid from children list savings and present earnings as sources of income. Women list savings, present earnings, and social security benefits. Aid from children is char- acteristic of the person in her seventies or eighties rather than the sixty-five to sixty-nine age group.

A miscellaneous classification of "other sources" (4 per cent for the total study group; 1.9 per cent for women and 6.2 per cent for men) includes mili- tary pensions, divorce settlements, property rentals, and aid from friends.

In summary, the emergent picture of the meaning of retirement and economic security for the older Coaldalite is one which adds to the problems of his adjustment to the aging process in general. Few of the older women (16.4 per cent) have ever worked outside the home. Retirement to her means that she does not have to worry about the likelihood of in- jury or death of her mate from the hazards of mining. It also means that her husband will be around the house feeling useless and restless. Retire- ment to the male means that he is no longer ade- quate to maintain his usual status and role as a contributing member of his family and community. To be forced to quit work is a major crisis in his life. It means that if there is no possibility of work- ing, there is no incentive to continue living.

Retirement to the man means that he can no longer retain a useful place in the scheme of things. He sees in the actions of others toward him that his usefulness is over. His adjustment to the retired state is difficult, for he has previously driven himself in order to earn money. The retired miner as well as the other retired worker feels that he should be working rather than being forced to retire. The chief reason why only a small number of older men work full time (7.6 per cent) is that of community and industry attitudes of discrimination based on age. The chief reason given for not working is re- tirement rather than physical disability.

Retirement also means that he is forced back upon his psychological and social resources to estab- lish a meaning to life. With his work life terminated, with a feeling of inadequacy and insecurity, there is little wonder that the retired Coaldalite receives so little satisfaction in retirement.

PUBLIC OFTEN DECEIVED BY MISINFORMATION ABOUT DIETING

By Marion A. Wharton

Myths, magic, and superstition are as old as the history of man. Food fads, fallacies, and food misinformation are not new but the form they take varies from month to month and year to year. The average person seems more vulnerable about his food and his health than about anything else in his environment.

Dr. Ruth L. Huenemann[1] has published the following definitions:

Food faddist.—One who follows certain food customs for a time with exaggerated zeal, such as enthusiasts for yogurt, molasses, etc.

Food misinformation.—That which is not in line with scientific evidence to date. This may take the form of outright fallacies, fancies, or fads which are often exaggerated half-truths and as such may be more difficult to combat than outright fallacies. Sometimes misinformation appears in the form of folklore; sometimes it is propounded by quacks.

Quack.—A person pretending to a knowledge which he does not possess (in medicine, nutrition, or foods). Motivation of the quack usually is financial gain. He exists because food faddists exist.

Food fads.—There are many types of fads.

Those involving the exaggeration of the virtue of a particular food. For example, cocoa is a builder of strength and vitality.[2]

Those advocating omission of certain foods because of harmful properties ascribed to them. For example, white bread.

Fads emphasizing "natural" foods. For example, brown sugar, honey, etc.

Fads emphasizing special devices. For example, reducing diets.

If we consider that science provides organized, tested knowledge, and apply this information in the nutrition field, then we easily recognize a food fad or food misinformation. It is necessary to sort out the fads and fallacies from the scientifically accepted food facts. No food is specifically a "health food." Every food contributes to the health of an individual. No particular food can build up resistance, purify the blood, "break up" a cold, or cure insomnia.[3] Nutrients are widely distributed in many foods and it is possible to meet the body's needs by any of numerous combinations of foods. There are no "essential foods"; there are only essential nutrients. This is a more complex concept than one that permits you to eat celery for your liver, carrots for your eyes, etc.[4]

The fads which may actually be harmful are those which control diet patterns. In the last decade there has been increasing emphasis on the advantages of maintaining ideal weight. At least enough of the American people are overweight to cause physicians to state that obesity is a hazard in modern life and a perennial problem.

People desiring weight loss are the most fertile soil for food fads. In recent years various popular journals have advocated "The Nine-Day *Harper's Bazaar* Diet," "The Banana-and-Skim-Milk Diet," "The Egg-and-Leafy-Vegetable Diet," "The High Protein Diet" published in *Holiday* magazine, "The Low-Protein Diet" published in *Look* magazine, and "The Fabulous Formula Diet" published in *Ladies Home Journal*. All of these have guaranteed to melt away pounds speedily, painlessly, safely, without going hungry or exercising or using harmful drugs. The authors have protected themselves by telling their readers to consult their physicians before using them.[5] How many people have tried these diets without medical approval?

Doctor's Aid Needed

Dieting is a tough, relentless grind and it does require a doctor's supervision. Losing weight for a short period of time and adding it back when you return to your usual diet is futile. None of these diets solves the underlying problem which is the education of the person to select the amount of food he needs for the energy he is expending. If you want to be able to eat more without putting on pounds you need to burn up more calories by deliberately taking exercise. In reducing too, it is essential to supply the body with all needed nutrients except calories. The using of our body fat for energy supplies little of the essential nutrients.

The low-protein diet in *Look* and the *Ladies Home Journal* formula diet resulted from free-lance writing of research performed at Rockefeller Institute for Medical Research. Their findings as reported in *American Journal of Clincal Nutrition* caused little excitement. They were trying to learn what factors in a diet determine how much fat the eater will store up, and whether there is anything peculiar about fat storage in obese people. Most subjects lost weight in the hospital but on their return home 52 per cent regained the weight lost, 30 per cent held steady, and 18 per cent kept on reducing.[6]

The Corn Products Refining Company has distributed pamphlets sponsoring the Fabulous Formula Diet as described in *Ladies Home Journal*. This 900-calorie diet consists of dextrose, evaporated

(*continued on page 15*)

[1] Ruth L. Huenemann, "Combating Food Misinformation and Quackery," *Journal of American Dietetic Association*, XXXII (1956), 623–26.

[2] Rita S. Rosenberg, "Nutritional Claims in Food Advertising," *Journal of American Dietetic Association*, XXXII (1956), 631–35.

[3] E. E. Hawley, G. Carden and Ed. Munoes, *The Art and Science of Nutrition* (The C. V. Mosby Co., 1955) 242–43.

[4] Huenemann, *op. cit.*

[5] E. Pope, "Why Fad Diets Fail," *McCall's Magazine*, November, 1956, p. 33.

[6] "Crazy about Reducing," *Time*, August 6, 1956, p. 32.

EABODY IN BIG EXPANSION

One of the world's largest coal-mining operations expected to be in production soon near Freeburg.

Peabody's River King Mine will have a stripping hovel which will lift 70 cubic yards of earth in one coop. The mine will employ about 400.

Another 50 workers will be employed at a barge-ading dock Peabody is building on the East St. ouis river front. Coal will be shipped to the dock y rail and then transferred to barge.

Peabody, which has purchased extensive coal eserves in Southern Illinois and expects to mine bout three million tons annually, is also putting p a large new office building at Third and Olive in t. Louis.

IETING (*continued from page 14*)

ilk, corn oil, and water yielding 10 per cent pro-in, 48 per cent fat, and 42 per cent carbohydrate twenty ounces. This formula is not unique and rtainly not "fabulous." It leaves much to be de-red in aesthetic, social, and psychological value of ods.

This past year the same free-lance writer pub-shed a book, *How I Reduced on the New Rocke-ller Diet* (Horizon Press, New York).[7] *The Ameri-n Medical Association Journal* has carried an edi-rial and letters emphasizing the hazards of this ducing regimne. The public was informed by the edical section in *Time* magazine.[8] It's little wonder at the American public finds difficulty in deciding what and how to eat!

There is need of a greater effort to combat food isinformation and all groups interested in nu-tion and health should participate. Ideally, nu-tion education should begin in childhood when is easier to form good eating practices. The Ameri-n Dietetic Association in its Community Nutrition ction has a subcommittee on combating food mis-formation. As a positive approach, members are ged to take a lead in teaching the public so that ey can evaluate the claims that appear in the press d advertising.[9] The positive approach to any oblem is always slow, but the results are more ective. A. M. Beeuwkes states this well by saying at quackery and food faddism will be put to flight ore effectively by widespread dissemination of the ith than by indignant denunciation.[10]

Editors Note," *Journal of American Dietetic Association*, XXII (1956), 840.

'ime, *loc. cit.*

Iuenemann, *op. cit.*

delia M. Beeuwkes, "Characteristics of the Self-styled cientist," *Journal of American Dietetic Association*, XXII (1956), 627–30.

MARKET CONDITIONS FOR FARMERS SUBJECT OF SIU SHORT COURSES

By Walter J. Wills

The farmer makes a number of marketing decisions each year. Should he sell his corn or feed it? Should he buy cattle now or later? When is the best time to sell cattle? Should he breed more sows for spring litters? Under what conditions is a veal calf a better market for milk than the dairy plant? These and many other questions of this type face him.

He wants to know when to market, where to market, what to produce and how the market wants the product. Changes are continually occurring in agricultural production and marketing; he is interested in how these changes will affect his income.

There is need to understand the marketing system. How does it work? Why are certain things done the way they are? Is our marketing system efficient from an operating standpoint? Does it efficiently reflect consumers' wants to the farmers?

These are the kinds of questions discussed at two six-week off-campus noncredit marketing short courses during the winter of 1957 at Cobden and Marissa.

One class session was devoted to consideration of the over-all economic outlook and prices of various agricultural commodities for 1957. In a discussion of marketing problems, it is helpful to use examples for specific commodities. For example, storage problems with grain have meaning when we discuss insect infestation, rodent contamination, mustiness, and other similar problems.

We discussed such problems as cost of grain storage and from this determined whether a farmer is better off to store or sell his grain. If all farmers sold grains at harvest time, the elevators, railroads, and trucks would have an even more difficult time than they now have in handling such a large volume in a short time.

How the grain futures market operates and why there is need for hedging is of interest to farmers. The importance of foreign markets, prospects for expanding them and the role of government aid to such markets was discussed.

Many government (federal, state, and local) regulations come in for attention as they affect markets. These included such items as the Perishable Agricultural Commodities Act, the Federal Milk Marketing Orders, Compensatory Payments, the Packers and Stockyards Act, the Pure Food and Drug Act, and the Closed Container Act. All of these items play an important role in pricing and are important in determining the extent of the individual farmer's market.

Farm commodities possess wide quality variations. Depending upon the commodity, some—such as eggs—may start at a high quality level. Then, because of improper handling either at the farm or in the marketing system, quality deteriorates. Others, such as certain grades of cattle, may never have quality because of inferior breeding. Basically the farmer is concerned with three aspects of quality:

(1) do present grade standards provide the consumer with the quality characteristics desired?; (2) do present price differentials encourage farmers to produce the quality consumers want?; and (3) to what extent are the grade standards generally understood? If farmers are to use market quotations from alternative markets to compare prices before deciding which market to use, then they must know the grades of commodities they have to sell.

From a discussion of these general points answers may be developed to a host of questions pertaining to specific commodity problems. Here are but a few of the specific problems:

1. There are few graded egg markets in Southern Illinois. How can we change this system so as to more nearly pay farmers for what they are producing?
2. What effect does the present system of financing in the major broiler-producing areas have on the development of the broiler industry in this area?
3. What is the probable effect of the bulk tank on dairy operations?
4. Can we expect a change in our milk-pricing system from a butterfat basis to a total solids basis?
5. With present pricing methods, does a farmer with a herd of 350 pound (butterfat) cows with a test of 5 per cent gross as much as a herd with a 3.5 test?
6. Why do more buyers not purchase hogs on a live quality basis?
7. Which is the best livestock market—a local buyer, an auction, or a terminal market?
8. What about marketing livestock on a carcass weight and grade basis?
9. With the government owning large amounts of grain storage space, and excess storage capacity now in existence, whose space will be used to store government supplies?
10. What about changing our grain-buying system from bushels to hundredweight?
11. Can you afford to dry corn to 15.5 per cent moisture content? to 12.5 per cent?
12. Can you afford to produce tree-ripened peaches?
13. How green is a vine-ripened tomato?
14. With a change to more large buyers of vegetables, what changes in local selling arrangements are needed?

These are the types of problems our farm leaders are considering.

Most farmers are members of one or more cooperatives. They are concerned with those management principles that will lead to more efficient and effective operation as well as those co-operative principles that are essential to the success of their operation. In some cases farmers may decide after a careful analysis of all the factors involved that they can perform the marketing functions through a co-operative organization more readily than they can turn the function over to some other business organization.

One of the highlights of a short course like those at Cobden and Marissa is a review of the current economic picture and what it means to agricultural prices for the next eight to ten months. This portion of the discussion helps farmers decide whether or not they should continue to hold corn or soybeans for later sale. Often they can adjust their livestock program to more nearly take advantage of expected price changes. They can decide what changes to make in their cropping program for the spring crop season.

In most Southern Illinois urban communities there are many nonfarm businessmen whose incomes are closely tied to agriculture. They have an interest in these same problems that are facing agriculture. Therefore, it would seem appropriate that they should work with the local vocational agriculture teacher to the end that they would attend such short courses.

NEW SHOPPING CENTER

A \$1,500,000–\$2,000,000 shopping center on Illinois Route 13 west of Carbondale is being planned by a Carbondale realty firm. The proposed Murdale Shopping Center would cover some 105,000 square feet and would include space for eleven stores in a long, modern, multiple-unit structure. Parking area would be provided for 870 automobiles.

Jim Cherry of the realty company says six thousand autos pass the shopping center site each day. It is three minutes drive from Carbondale, five minutes from Murphysboro, and 20 minutes from DuQuoin, Herrin, Anna, or Marion.

Also on Route 13, between the proposed center and downtown Carbondale, a \$200,000 three-building development is under construction. Two of the structures will be office buildings, one of which will be occupied by the Carbondale division office of the Metropolitan Insurance Co. The third building will be a multiple-unit markets building.

A beauty parlor and a cafe have already leased space in the markets building, according to the builder, J. C. Williams.